authority to grant quality step increases. The agency shall take any corrective action required by the Office.

[60 FR 43948, Aug. 23, 1995]

## Subpart F—Locality-Based Comparability Payments

Source: 58 FR 69174, Dec. 30, 1993, unless otherwise noted.

## §531.601 Purpose.

This subpart provides regulations to implement 5 U.S.C. 5304, which authorizes locality-based comparability payments to reduce pay disparities with non-Federal workers within each locality when the locality is determined to have a pay disparity of greater than 5 percent. These regulations must be read together with 5 U.S.C. 5304.

## §531.602 Definitions.

In this subpart:

CMSA means a Consolidated Metropolitan Statistical Area, as defined by the Office of Management and Budget (OMB).

Continental United States means the several States and the District of Columbia, but does not include Alaska or Hawaii.

Employee means—

- (1) An employee in a position to which subchapter III of chapter 53 of title 5, United States Code, applies and whose official duty station is located in a locality pay area within the continental United States, including a GM employee (as defined in §531.202); and
- (2) An employee in a category of positions described in 5 U.S.C. 5304(h)(1)(A)–(F) for which the President (or designee) has authorized locality-based comparability payments under 5 U.S.C. 5304(h)(2) and whose official duty station is located in a locality pay area.

General Schedule means the basic pay schedule established under 5 U.S.C. 5332, as adjusted by the President under 5 U.S.C. 5303.

Locality pay area means an area listed in §531.603 of this part, as established and modified under 5 U.S.C. 5304 by the Pay Agent designated by the President under 5 U.S.C. 5304(d)(1).

Locality rate of pay means an employee's scheduled annual rate of pay increased by the percentage determined under §531.604(a) and rounded to the nearest whole dollar, counting 50 cents and over as the next higher dollar.

MSA means a Metropolitan Statistical Area, as defined by the Office of Management and Budget (OMB).

Official duty station means the duty station for an employee's position of record as indicated on his or her most recent notification of personnel action, excluding a new duty station for an assignment that is followed immediately (i.e., within 3 workdays) by a reduction in force resulting in the employee's separation before he or she is required to report for duty at the new location. For an employee who is authorized to receive relocation allowances under 5 U.S.C. 5737 in connection with an extended assignment, the temporary duty station associated with that assignment is the employee's official duty station.

Scheduled annual rate of pay means—

- (1) The General Schedule rate of basic pay for the employee's grade and step (or relative position in the rate range), including a special rate for law enforcement officers under section 403 of the Federal Employees Pay Comparability Act of 1990 (FEPCA) (Pub. L. 101-509, 104 Stat. 1465), but exclusive of a special salary rate established under 5 U.S.C. 5305 or similar provision of law (other than section 403 of FEPCA), a continued rate of pay under subpart G of this part, a special law enforcement adjusted rate of pay under subpart C of this part (including a rate continued under §531.307), a locality rate of pay under this subpart, or additional pay of any kind:
- (2) For a GM employee (as defined in §531.202) who is receiving a special salary rate under 5 U.S.C. 5305 or similar provision of law, the rate of pay resulting from the following computation—
- (i) Using the special salary rate schedule established under 5 U.S.C. 5305 or similar provision of law, subtract the dollar amount for step 1 of the employee's grade on the special salary rate schedule from the dollar amount for the employee's special salary rate; and
- (ii) Add the result of paragraph (2)(i) of this definition to the dollar amount